



City of Loma Linda Official Report

Floyd Petersen, Mayor
Karen Hansberger, Mayor pro tempore
Robert Christman, Councilmember
Stan Brauer, Councilmember
Robert Ziprick, Councilmember

COUNCIL AGENDA: November 18, 2003

TO: City Council

VIA: Dennis R. Hallaway, City Manager *[Signature]*

FROM: Pamela Byrnes-O'Camb, City Clerk *[Signature]*

SUBJECT: Request by Seaside County Sanitation District for California Joint Powers Insurance Authority (CJPIA) Membership

RECOMMENDATION

It is recommended that the City Council approve membership of the Seaside County Sanitation District to the CJPIA.

BACKGROUND

See attached Membership Application.

CALIFORNIA JPIA

MEMBERSHIP APPLICATION

.....

REPORT OF INITIAL RISK MANAGEMENT EVALUATION

OF THE

SEASIDE COUNTY SANITATION DISTRICT

.....

I. RECOMMENDATION

It is recommended that the Seaside County Sanitation District's application for membership in the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY beginning November 1, 2003, be approved with an initial General Liability Program primary deposit of \$4,700. The Seaside County Sanitation District did not apply for participation in the other CALIFORNIA JOINT POWERS INSURANCE AUTHORITY programs at this time.

II. GENERAL INFORMATION

A. Date of Survey: July 29, 2003

B. Participants in Survey:

1. For CALIFORNIA JPIA: Jim Gross, Member Services Manager
Robert McNamara, Risk Manager

2. For District: Daniel E. Keen, City Manager
Daphne H. Hodgson, Finance Director
Bjorn Lundegard, Public Works Superintendent
David Fortune, Maint. & Operations Supervisor

C. Description of Applicant:

The Seaside County Sanitation District (SCSD) is a special district, formed March 1, 1950. Its governing board consists of the Mayor from each of the cities of Del Rey Oaks, Sand City, and Seaside. The District has no employees. Its principal place of business is the City of Seaside City Hall.

The District is responsible for maintenance and operation of the sanitary sewer collection system servicing the cities of Del Rey Oaks, Sand City, and Seaside. The District's sanitary sewer collection system serves an area of approximately 2,400 acres with a population of approximately 30,000. Wastewater is ultimately pumped to the Monterey Regional Pollution Control Agency (MRPCA) regional treatment plant. The lift/pump stations are maintained by the MRPCA.

The sewer system consists of approximately 73 miles of pipeline with 930 manholes, 475 rod holes, and 4 lift stations. Approximately 60 miles of pipeline is within the City of Seaside's boundaries, 8 miles of pipeline is within Del Rey Oaks' boundaries, and 5 miles of pipeline is within Sand City's boundaries. The district's revenue is primarily from user fees (66%) and property tax assessments (33%). The balance of the District's revenue is from connection fees (1%). Revenue is primarily from the City of Seaside users (92%) with the balance of the revenue split between users in Del Rey Oaks and Sand City.

The District contracts with the City of Seaside to perform maintenance of the sewer system and to perform administrative services for the District. The City of Seaside is contractually obligated to defend and indemnify the District for claims arising out of the sewer operation.

III. CURRENT INSURANCE PROGRAM

Before the City of Seaside joined the CALIFORNIA JPIA, the City and the District were both insured under the same Commercial General Liability program through Municipal Mutual Insurance Company, with a \$10,000,000 occurrence limit, no aggregate limit, and a self-insured retention of \$150,000. The District's general liability policy expired on September 1, 2003.

IV. EXPERIENCE AND LOSS DATA

The City of Seaside joined the CALIFORNIA JPIA on September 1, 2003. Since the City of Seaside is contractually obligated to defend and indemnify the District for claims arising out of the sewer system operation, the City's loss history included all sewer related claims against the City or the District, and the City's deposit contemplated these exposures.

The City of Seaside's Public Works Director recently completed a comprehensive Master Plan and six-year Capital Improvement Plan on behalf of the District. Both the Master Plan and Capital Improvement Plan will be carried out at the direction of the City's staff.

V. APPLICATION FEE AND DEPOSIT COMPUTATIONS

A. Application Fee:

The Seaside County Sanitation District will pay an application fee of \$1,000 as part of the application process. This fee may be applied toward the primary deposit if the District is approved as a member, or it may be refunded if membership is not approved.

B. General Liability Deposit:

The initial primary deposit covering the period November 1, 2003, through June 30, 2004, was established at \$4,700. The deposit is based on having no losses and no payroll. The primary deposit is prorated for eight months of coverage; the deposit for twelve months of coverage would be \$7,050.

VI. PHYSICAL INSPECTION AND COMMENTS

A. OFFICE SPACE

CALIFORNIA JPIA staff performed its initial evaluation in conjunction with the evaluation of the City of Seaside, on July 29, 2003. Through the evaluation process, it was determined that the District needed to apply for separate membership with the CALIFORNIA JPIA. The District is a separate governmental entity, outside of the exclusive control of the City of Seaside's governing body. It also has property ownership (the sewer system), operations, and therefore liability exposure, outside the City of Seaside's boundaries.

The Seaside County Sanitation District (SCSD) operates from the City of Seaside's City Hall. The SCSD Board meets the second Tuesday of each month, in the City of Seaside City Hall Conference Room. All liabilities associated with the administrative operation have been contractually transferred to the City of Seaside.

X. SUMMARY AND EVALUATION

The District's membership will benefit the District by providing reliable and economical coverage, existing members will benefit by spreading pooled losses and costs to a greater number of members.



ALIFORNIA JOINT POWERS INSURANCE AUTHORITY
8081 Moody Street, La Palma, California 90623
(562) 467-8700 • FAX (562) 402-8692

Seaside County Sanitation District

APPLICATION FOR MEMBERSHIP

INSTRUCTIONS: Please complete the following underwriting information. You may attach additional sheets, if necessary, to amplify your answers. The application should be signed by the General Manager. Please type your answers.

Date of Application: 10/6/03 Date of Incorporation: _____

AGENCY: Seaside County Sanitation District COUNTY OF: Monterey

ADDRESS: 440 Harcourt Ave., P.O. Box 810, Seaside, CA 93955

MAIN PHONE: 831-899-6700 MAIN FAX: 831-899-6007

WEBSITE: www.seaside.ca.us

APPLICATION COMPLETED BY: Daphne Hodgson PHONE: 831-899-6718

FUNCTION:	Salutation	Name	Actual Title	Phone	Email
General Manager:	Mr.	Daniel Keen	City Manager / District Manager	831-899-6701	dkeen@ci.seaside.ca.us
Finance Officer:	Ms.	Daphne Hodgson	Finance Director	831-899-6718	dhodgson@ci.seaside.ca.us
Public Works Director:	Ms.	Diana Ingersoll	District Engineer	831-899-6830	dingerso@ci.seaside.ca.us
Parks & Rec Director:		n/a			
Planning Director:		n/a			
Clerk:		n/a			
Agency Attorney:	Ms.	Mary Perry	Legal Counsel	831-755-5045	perry@m.co.monterey.ca.us
Risk Manager:	Ms.	Daphne Hodgson			
Police Chief:		n/a			
Fire Chief:		n/a			
Personnel Director:		n/a			

1. POPULATION SERVED:

30,000

2. AREA SERVED:

City of Seaside, City of Sand City,
City of Del Rey Oaks

3. TOTAL OPERATING BUDGET (FY 2007-2008): \$562,400

(Please provide a copy of your adopted budget)

4. EMPLOYEE CENSUS:

		FT	PT	VOL	Gross Payroll for Calendar year 2002 (include non-taxable compensation & PT)
		(Positions)	(FT Equiv)	(People)	
Clerical Office	(8810)	_____	_____	_____	_____
Municipal Non-Manual	(9410)	_____	_____	_____	_____
All Other Municipal	(9420)	_____	_____	_____	_____
Fire Fighters	(7706)	_____	_____	_____	_____
Volunteer Fire Fighters	(7707)	_____	_____	_____	_____
Police Officers	(7720)	_____	_____	_____	_____
Volunteer Police Officers	(7722)	_____	_____	_____	_____
Bus Operators	(7382)	_____	_____	_____	_____
Pilots	(7424)	_____	_____	_____	_____
Animal Services	(8831)	_____	_____	_____	_____
Water Works	(7520)	_____	_____	_____	_____
Sanitation Employees	(7580)	_____	_____	_____	_____
All Other	(9999)	_____	_____	_____	_____

*all work is with
contract with
the city of Seaside.*

TOTAL EMPLOYEES & GROSS PAYROLL _____
(Calendar year 2002)

5. CURRENT INSURANCE PROGRAM (or last insured year):
In addition, please submit the face sheets of all current policies.

A. GENERAL LIABILITY COVERAGE: (Claims made or occurrence, please specify

1. Primary Coverage:

Carrier: Municipal Mutual (City of Seaside)
 Policy Period: 9/1/02 - 9/1/03
 Occurrence Limit: \$ 10,000,000
 Premium: \$ 211,303 (total) 15,000 (district's share)
 Deductible/Retention: \$ 150,000
 Claims Administrator: \$ Crawford

EXCESS LIABILITY COVERAGE:

\$ _____ Excess of \$ _____
 Carrier: _____
 Policy Period: _____
 Premium: \$ _____
 \$ _____ Excess of \$ _____
 \$ _____
 Carrier: _____
 Policy Period: _____
 Premium: \$ _____

B. WORKERS' COMPENSATION COVERAGE:

1. Primary Coverage:

Carrier:

Policy Period:

Premium:

Employers Liability Limit:

Deductible/Retention:

\$

\$

\$

Claims Administrator:

n/a - all employees
are City of Seaside employees

2. Excess Workers' Compensation Coverage:

\$ _____ Excess of \$ _____

Carrier:

Policy Period:

Premium:

\$

C. PROPERTY INSURANCE:

1. Coverage: (Replacement cost or other, please specify)

Insured values:

Buildings:

Contents:

Vehicles:

Other:

Total Values

\$

\$

\$

\$

\$

\$

Carrier:

Policy Period:

Premium:

\$

St. Paul - covered under city of Seaside
9/1/03 policy

6. LOSS EXPERIENCE: (Past five completed years)

Additionally, please submit detailed claims information for the past ten years. See "Claims History" forms for more information.

A. GENERAL LIABILITY INCURRED LOSSES:

Year	Number of Losses	Amount of Losses

Loss data
previously
provided with
City of Seaside
application.

B. WORKERS' COMPENSATION INCURRED LOSSES:

Year	Number of Losses	Amount of Losses

C. INSURED PROPERTY INCURRED LOSSES:

Year	Number of Losses	Amount of Losses

7. GENERAL EXPOSURES:

	Number	Area
A. Waterfront Property:	<u>0</u>	<u> </u>
B. Cemeteries:	<u>0</u>	<u> </u>
C. Housing:	<u>0</u>	<u> </u>
D. Libraries and/or Museums:	<u>0</u>	<u> </u>
E. Developed Parks and Playgrounds:	<u>0</u>	<u> </u>
F. Auditoriums and/or Exhibition Halls:	<u>0</u>	<u> </u>
G. Community Centers:	<u>0</u>	<u> </u>
H. Buildings Leased to Others:	<u>0</u>	<u> </u>
I. Land Leased to Others:	<u>0</u>	<u> </u>
J. Buildings and/or Land Leased by Organization:	<u>0</u>	<u> </u>
K. Motorpools/Garages:	<u>0</u>	<u> </u>
L. Underground Storage Tanks:	<u>0</u>	<u> </u>

8. VEHICLE EXPOSURES:

	Number
A. General Vehicles:	
Passenge Sedans (non-police):	<u>0</u>
Motorcycles:	<u>0</u>
Pickups & other maintenance vehicles:	<u>2</u>
Construction/Heavy Equipment:	<u>1 Sewer Vector Truck</u>
Other:	
Please describe "Other":	<u>Sewer truck, camera truck, generator</u>
B. Emergency Vehicles:	
Police:	
Passenger:	<u>n/a</u>
Motorcycles:	<u> </u>
Pickups/Vans:	<u>n/a</u>
Fire:	
Passenger:	<u> </u>
Pickups/Vans:	<u> </u>
Apparatus:	<u> </u>
C. Public Transit Vehicles:	<u>n/a</u>
Mini Buses/Vans:	<u> </u>
Buses:	<u> </u>

9. ROADWAY AND TRAFFIC EXPOSURES:

n/a

- A. City Streets: (miles)
- B. County Roads: (miles)
- C. State Highway: (miles)
- D. Traffic Signals: (number)
- E. Parking Lots: (number)
- F. Parking Meters: (number)
- G. Sidewalks: (miles)

10. POLICE SERVICES EXPOSURES:

n/a

- A. Number of Sworn Officers:
 - Full-time:
 - Part-time:
- B. Number of Reserves:
 - Level I:
 - Level II:
- C. Number of Police Stations:
- D. Number of Jail Facilities:
 - Number of Cells:
- E. Is there a Policy and Procedures Manual?
- F. Is there a written Pursuit Policy?
- G. Is there a written Policy on the use of Firearms?
- H. Is there a written Policy on the use of Canines?

11. FIRE SERVICES EXPOSURES:

n/a

- A. Number of Sworn Fire Personnel:
 - Full-time:
 - Part-time:
 - Volunteers:
 - Paramedics:
- B. Number of Fire Stations:

12. UTILITY SERVICES EXPOSURES:

n/a

- A. Water Department:

Please submit an inundation map showing location and describe each dam.

- 1. Number of Employees:
- 2. Average capacity / day:
 - Domestic:
 - Industrial:
- 3. Source of supply:
- 4. Dams:
 - Number:

5. Reservoirs:
Number: _____
Capacity: _____
Type: _____
6. Storage tanks:
Number: _____
Capacity: _____
Type: _____
7. Source of water supply: _____

B. Sanitary Sewer Service: *see attached*

Number of employees: *all employees are City of Seaside*
Average capacity/day: *n/a* *under contract*
Level of treatment: *n/a* *between the City*
Effluent discharged to: *pumped to Monterey* *of Seaside and*
Regional Water Pollution Control Authority *the District.*

C. Service Suppliers:

Electrical Power: *all through*
Natural Gas: *City of Seaside*
Telephone: *contract*
Cable Television: _____
Water (if private): _____
Solid Waste Disposal: _____

13. Please include material information not requested on this form.

ACKNOWLEDGEMENT (To be completed by General Manager):

All of the above information, including attachments, has been fully disclosed. The CALIFORNIA JPIA may rely on these answers, including attachments, when considering this application for membership.

NAME: Daniel E. Keen

DATE: October 6, 2003

SIGNATURE: *[Signature]*

CITY OF SEASIDE APPLICATION

12. UTILITY SERVICES EXPOSURES

B. Sanitary Sewer Service

The Seaside County Sanitation District is responsible for the transportation of sewage waste from residential and commercial buildings to a sewage treatment plant operated by the Monterey Regional Water Pollution Control Agency. In addition, the District installs and maintains sewer lines and lift stations. The governing board consists of the Mayor from each of the cities of Del Rey Oaks, Sand City and Seaside. The City of Seaside performs maintenance and administrative services for the District. The City charged the District \$465, 592 for the fiscal year ended June 30, 2002.